



February 18, 2005

Ms. Kristi Izzo, Secretary
New Jersey Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

Re: Green Power Choice Program
BPU Docket #EO0501001

Dear Ms. Izzo:

New Jersey Natural Gas (NJNG) fully supports the development by the New Jersey Board of Public Utilities (BPU) of a Green Power Choice Initiative and commends the BPU for its leadership in developing creative programs to advance the state's public policies in support of renewable energy while continuing to offer additional choices to customers. We are pleased to have the opportunity to provide comments on the straw proposal.

NJNG is committed to helping the state advance public policy goals. As a regulated utility that provides a lifeline service to our customers, we should not only participate in ongoing policy discussions, but also should be proactive in communicating that policy. Because of our contacts with customers, we can provide an extremely effective channel for sharing information about the state's energy policies. This role is critical, particularly when a policy is in its formative stages and we do not consider this participation to be limited to either electric or natural gas industry-specific issues.

In October 2003, we experienced first-hand the benefits of renewable energy when we installed 20 kilowatt photovoltaic (PV) system at our Maude Service Center. As part of that project, we also installed a small demonstration unit to help us promote the technology to students and guests at our facilities. We have since donated 2 additional PV systems to be installed on homes for two families made available through our partnership with the Interfaith Neighbors organization.

NJNG, in collaboration with your team in the Office of Clean Energy, the New Jersey Department of Environmental Protection, and GeoGenix, LLC, a New Jersey based solar power distribution and installation company, is participating in a project to install a PV system at one of the public buildings on Island Beach State Park. Specifically, we are supporting the State's Renewable Energy initiatives by donating and arranging for the installation of a 10.02 kW PV system at Bath House 1. Through a partnership between NJNG and GeoGenix, a turnkey roof mounted 10.02 kW PV system, consisting of 60 panels and covering approximately 920 square feet, will be installed.

These installations and programs provide ongoing opportunities to raise general knowledge about renewable energy. Finally, we developed a renewable energy section on our web site, www.njliving.com, to continue the advancement of these initiatives and programs. As a company, we have seen the benefits of renewable energy projects ourselves, had the opportunity to provide similar benefits for new homeowners, and will continue to seek additional ways to advance general awareness.

In light of that direction, NJNG participated in the Green Power Choice working group to fully understand the direction and goals of the program and to assess how we can participate. We recognize that the service is being delivered through the electric utilities billing function but believe that we can help reach additional customers. By relying on our existing brand strength and the various communication channels available, NJNG can offer crucial resources to educate customers and build interest in the program. Our strong relationship with our customers is evidenced not only through our 95% customer satisfaction rating, but also in the low number of BPU inquiries and our previous JD Power ratings, the highest of any utility in the state.

Based upon survey responses from our customers, we know that environmental issues are extremely important in our service territory and would like to work with the state to help continue offering environmentally sound choices to our customers. We are willing to both access customers through assorted communications channels and expand the environmental sections of our Web site to support this initiative. Going forward, a continued partnership with both the Office of Clean Energy and the Green Power Marketers can well serve all stakeholders in supporting renewable energy resources and programs.

Since NJNG can be an effective resource in expanding the awareness and advancement of the program, we respectfully request that the restrictive language in the straw proposal be expended to include participation and cost recovery, if appropriate, be available to both electric and natural gas companies. For example, NJNG is seeking recovery through the Societal Benefits Charge of expenses that relate to the support of the baseline program and would like to continue to participate in the development of the program marketing, consumer education, and performance based incentives.

Thank you for the opportunity to provide comments. New Jersey Natural Gas looks forward to working with the Office of Clean Energy and the Green Power Marketers to bring these additional choices to customers.

Respectfully,

Anne-Marie Peracchio
Director- Regulatory Affairs

cc: Commissioner Frederick F. Butler
Green Power Choice Working Group (via e-mail)